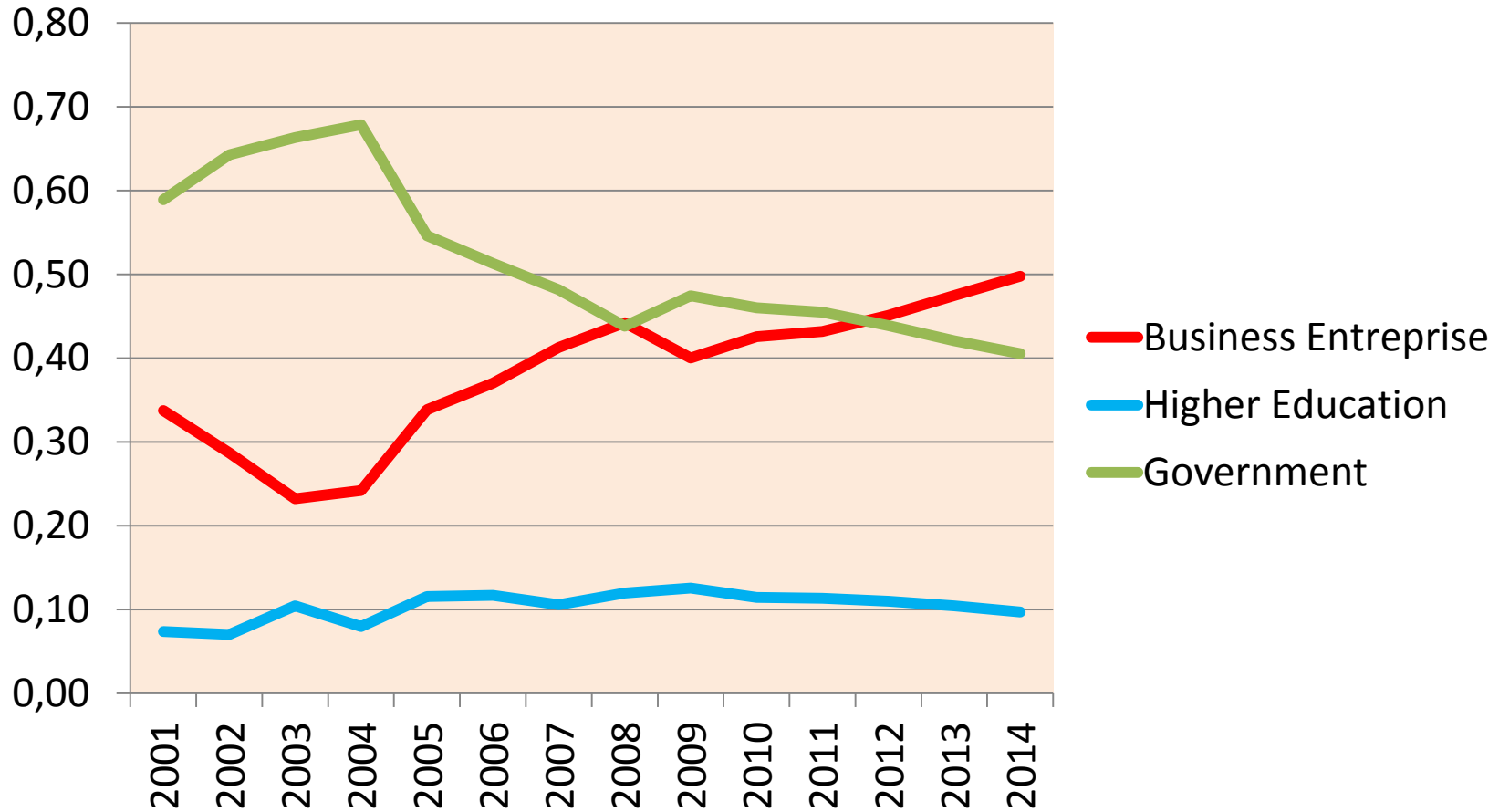


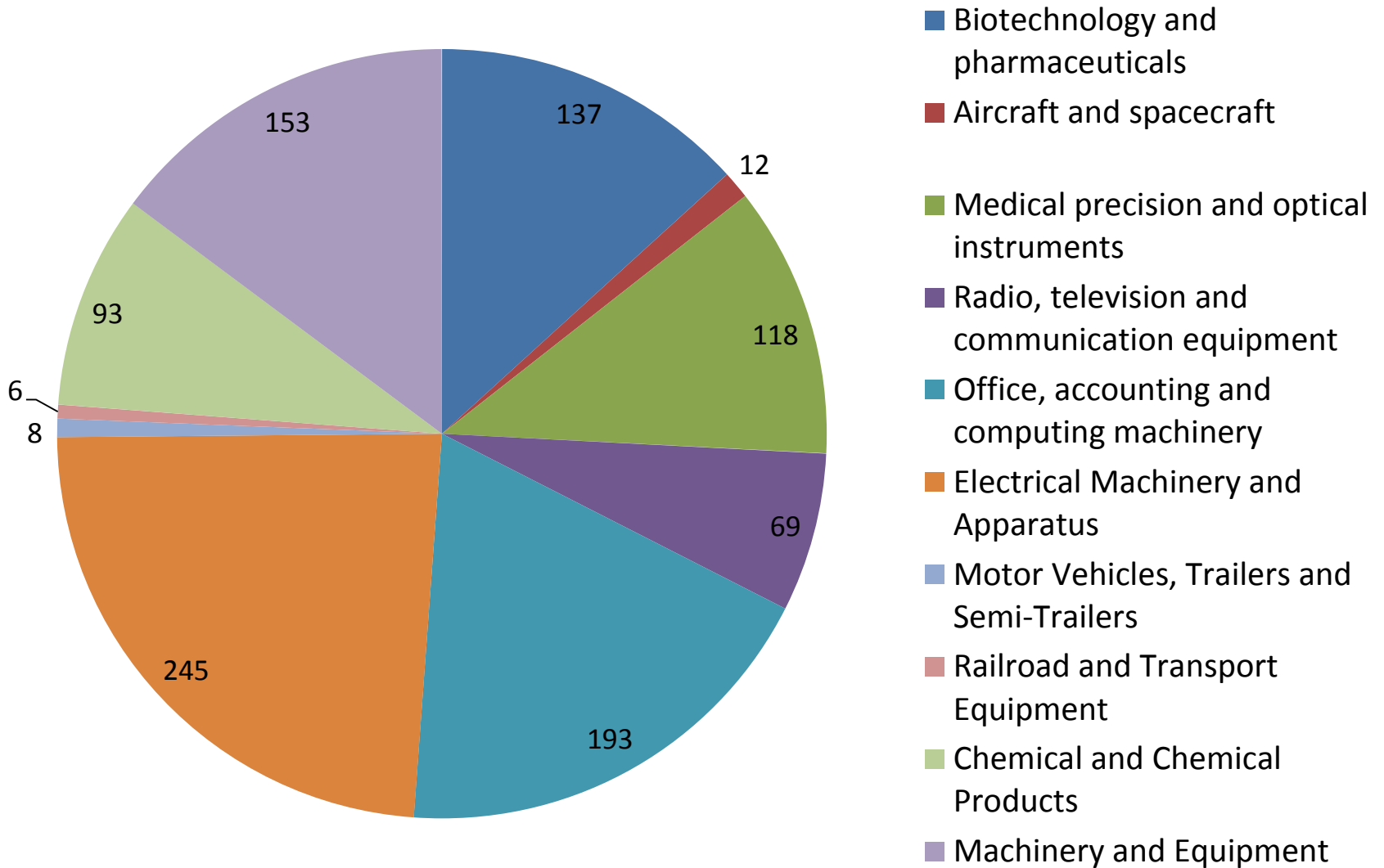
**Stakeholder Building Processes of
R&D based Startups:
The Case of Techno-entrepreneurs
in Turkey**

Elif Kalaycı,
Atılım University,
Department of Economics,
Turkey
27/11/2015

GERD/GDP in Turkey by sectors of performance (Turkstat)



Total Number of Ministry- Subsidized Seed Funded R&D Startups as per OECD Technology Classification (2009-2013)



An Expectation from the Startups?

- Üçdoğruk (2009)
- Taymaz and Üçdoğruk (2009)
- Kalaycı (2012)

**IN TURKEY AS SIZE DECREASES, R&D
INTENSITY INCREASES**

Sarasvathy 2001

- Effectuation Theory is dependent on PEOPLE!
- «the “right” people need emotional ownership in the goals and objectives of the endeavor»
- «can only be incentivized by the belief that the effects they create will embody their deepest passions and aspirations ...»

Özcan and Eisenhardt (2009)

« an entire unexplored terrain of possibilities lies dormant in the area of how entrepreneurs transform bits and pieces of current realities into valuable new opportunities through productive **interaction** with others. »

«The development of **relational cohesion** and commitment is an **endogenous process** that emerges from the interaction between actors.»
(Lawler & Yoon, 1996, p. 90)

R&D performing small firms use **personal contacts** rather than institutions to develop R&D relations with knowledge sources (Freitas et. al., 2013)

Research Question

- How do entrepreneurs lure third parties into their ventures?
- How do they turn them into stakeholders in an R&D based startup?

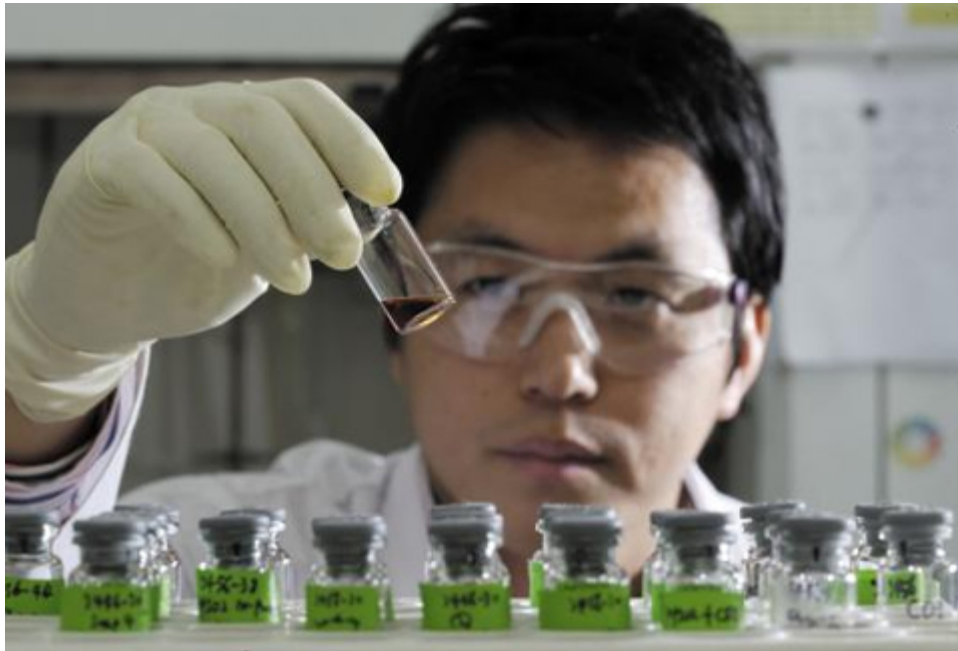
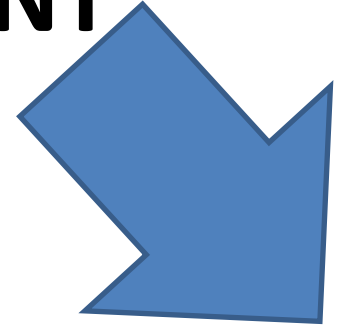
Methodology

- In-depth interviews
- Attendants of a project fair organized by Ankara Development Agency in 2012.
- All interviewees had received 100,000 TL from the Ministry of Science, Industry and Technology for founding an R&D based startup.

R&D

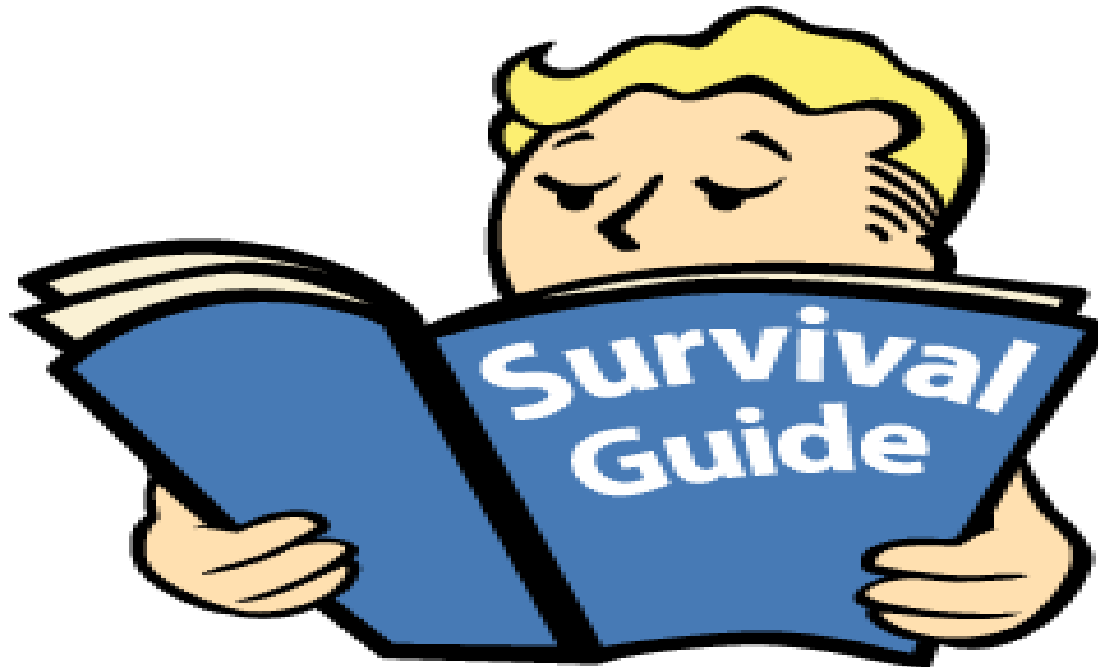


BUSINESS MANAGEMENT



Managing
Business Debt
can be very
challenging.





DROP R&D

EMBRACE

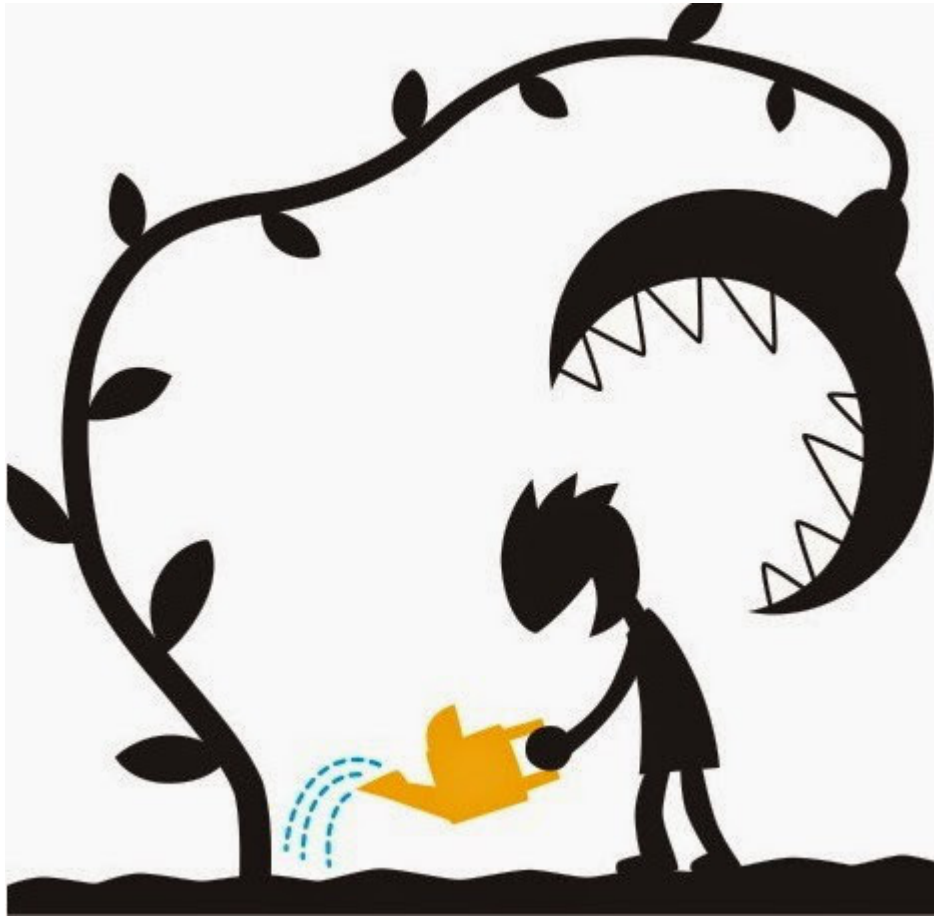
«cash generating business»

Mapping unwanted hair and aiming with laser beam only for the roots



	Firm B's founder		MKI
	Gives	Takes	Result
Partner	Assessment of marketing opportunities	R&D	Complementarity
	mistakes	no penalty but making up for my mistakes	Better relationship
Financial Advisor	Salary	Advice on tough situations	Rescue from bankruptcy for 4 times
Business Angel	30% of the firm which owns patented prototypes	Cash injection & ability to get the product tested by dermatologists	Intent to export to two foreign countries
Family		Mortgage on family apartment as collateral for bank loan/ feedback on test results of prototype from potential end users	Paying the R&D expenses until cash from state subsidy arrived
University	Questions	Knowledge and guidance/ Ban on subsidy	Some professors are HARMFUL

BETRAYAL



	Firm C 's founder		BY
	Gives	Takes	Result
Partner	Keeps a promise by being a civil servant	trust	Overcomes legal ban on owning a firm as a civil servant
Financial Advisor	Spending time on financial matters	Minimum help in order to let the entrepreneur learn	Learning financial matters,
Employee	Work when no where else would	Theft from the firm	LEARNED LESSON: Make a CONTRACT
Family	Time to study to take the civil servant admission examination of the state	Father: «if you do not become a civil servant, I will not die peacefully.»	Slows down the activities of the startup and finds a job as an instructor at a state university
Local Outsource	Writing R&D project applications on their behalf for state subsidies	Priority in finishing her orders	Long-term reliable relationship
University	Becoming a showcase entrepreneur as a graduate of the university	Incubation /Scholarship for master's/ Guidance	Cash saving on payment of utility expenses / Free technical advice from a professor

A Chandellier in Monaco



60.000 Euros

	Firm D's founder		EÇHK
	Gives	Takes	Result
Partner	Administration	Design	Complementarity
	Arguments	Elimination of personal disputes	Flawless products
Local Supplier	Help with choosing the specifications of a computer the supplier will buy for his kids	Expert knowledge on a drawn out idea for a project	A more 'manufacturable' version of the potential R&D project
Foreign Supplier	Visits to each supplier in their country of residence	Ensured quality of supplies	High quality products
Foreign Customer	Obsession with what they produce	Future orders/references	100% Export of all products



Moving
Chandelier
for JAA
Convention
Center in
Kuwait



Thank You.....All Comments and Critiques are Welcome